GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3796
ANSWERED ON:24.03.2017
Restrictions on Deposits/Withdrawals
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Will the Minister of FINANCE be pleased to state:

(a) whether the Public Sector Banks(PSBs) have decided to impose penalty for not keeping minimum balance in account and if so, the details thereof and the reasons therefor and the corrective steps taken by the Government in this regard;

(b) whether the Government has issued order for banks to permit savings bank account holders to deposit/withdrawal cash three times a month free of charge and levy Rs.50 plus service tax on every transaction beyond that and if so, the details thereof and the reasons therefor;

(c) whether the penalty charges are different in metropolitan areas, urban and rural branches and if so, the details thereof;

(d) whether withdrawal of cash from ATMs attract a charge of up to Rs.20 if the number of transactions exceeds three from other banks ATMs, in a month and Rs.10 more than five withdrawals from SBI ATMs, if so, the details thereof and the reasons therefor;

(e) whether the Government consider relaxation from such penalties in the cases of deposit/withdrawal of money for the reasons such as marriages/ hospitalisation etc.; and

(f) if so, the details thereof and if not, the reasons therefor?

Answer

The Minister of State in the Ministry of Finance
(SHRI SANTOSH KUMAR GANGWAR)

(a) and (c): Details of levy of charges by public sector banks for metropolitan areas, urban, semi-urban and rural branches are at Annex. RBI's circular dated 20.11.2014, provides, inter alia, that Boards of banks are to decide the policy on levy of panel charges on non-maintenance of minimum balances on savings bank account, and that such charges should be in line with the average cost of providing the services. Public sector banks have apprised that the charges are to cover cost of services.

(b) No, madam.

(d) to (f): As per RBI's circular dated 14.8.2014, banks may put in place appropriate Board-approved policy relating to the charges for customers for use of their ATMs. It further provides that if the number of financial and non-financial transactions in a month from other banks' ATMs exceeds three transactions at ATMs located in the six metro cities (viz. Mumbai, New Delhi, Chennai, Kolkata, Bengaluru and Hyderabad) or five transactions at ATMs at all other locations, the charges are capped at Rs. 20 per transaction (plus service tax). For financial transactions exceeding five in a month at SBI's own ATMs, the State Bank of India (SBI) charges Rs. 5 (plus service tax) per transaction.

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Annex
Minimum balance charges in individual savings bank accounts (other than BSBD account)**

S. No.	Bank	With cheque book				Without cheque book			
		Quarterly average balance			Charges	Quarterly average balance			Charges
		Rural	Semi Urban	Urban	Metro	Rural	Semi Urban	Urban	Metro	Rural	Semi Urban	Urban	Metro	Rural	Semi Urban	Urban	Metro
1	Allahabad Bank	500	500	1000	1000	102	102	143	143	100	100	500	500	36	36	77	77
2	Andhra Bank*	250	250	500	500	50	100	100	100	100	250	250	250	50	100	100	100
3	Bank of Baroda*	500	500	1000	1000	100	100	200	200	500	500	1000	1000	100	100	200	200
4	Bank of India	500	500	500	500	54	54	54	54	100	100	100	100	40	40	40	40
5	Bank of Maharashtra*	250	500	500	500	40	80	120	120	250	500	500	500	40	80	120	120
6	Bhartiya Mahila Bank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Canara Bank*	500	1000	1000	1000	40	40	40	40	500	1000	1000	1000	40	40	40	40
8	Central Bank of India*	250	500	1000	1000	60	120	180	240	250	500	1000	1000	60	120	180	240
9	Corporation Bank*	250	500	500	500	100	100	100	100	250	500	500	500	100	100	100	100
10	Dena Bank	500	500	1000	1000	50	50	100	100	500	500	1000	1000	50	50	100	100
11	IDBI Bank Limited*	500	2500	5000	5000	20	100	200	200	500	2500	5000	5000	20	100	200	200

12 Indian Bank 500 500 500 500 100 100 100 100 250 250 250 250 100 100 100 100
13 Indian Overseas Bank 500 500 1000 1000 45 45 45 45 100 100 500 500 45 45 45 45
14 Oriental Bank of Commerce 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
15 Punjab & Sind Bank 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
16 Punjab National Bank* 500 1000 1000 1000 75 100 150 200 500 1000 1000 1000 75 100 150 200
17 State Bank of Bikaner & Jaipur 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
18 State Bank of Hyderabad 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
19 State Bank of India*
(proposed from 1.4.2017) 1000 2000 3000 5000 50 75 80 100 1000 2000 3000 5000 50 75 80 100
20 State Bank of Mysore 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
21 State Bank of Patiala 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
22 State Bank of Travancore 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
23 Syndicate Bank 500 500 1000 1000 40 40 40 40 100 100 500 500 40 40 40 40
24 UCO Bank 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
25 Union Bank of India 250 500 1000 1000 29 58 115 115 100 250 500 500 22 22 43 43
26 United Bank of India* 500 500 500 500 72 72 72 72 50 100 100 100 44 72 72 72
27 Vijaya Bank 250 250 500 500 50 65 65 65 250 250 500 500 50 65 65 65
Source: Public Sector Banks
* Penalty for non maintenance of average minimum balance is proportionate to the shortfall of the actual balance from the minimum balance. In the above calculation table the maximum penalty is shown.
**As per Reserve Bank of India (RBI) circular dated 10.8.2012, no penal charges are to be levied
for non-operation/non-activation of Basic Savings Bank Deposit (BSBD) accounts.
Vide RBI's circular dated 6.5.2014 levy of penal charges for non-maintenance of minimum balances in any inoperative account is not permitted.